

1 BILL NO. R-93-02 - 20

2
3 RESOLUTION NO.

Q-09-93

4 A RESOLUTION OF THE COMMON COUNCIL OF
5 FORT WAYNE, INDIANA SUPPORTING INDIANA
6 GENERAL ASSEMBLY ACTION TO GIVE CITIES
7 BROADER AUTHORITY TO DESIGNATE
8 RESIDENTIALLY DISTRESSED AREAS.

9 WHEREAS, the revitalization of central city residential
10 neighborhoods is a goal of the Fort Wayne Common Council, as
11 such revitalization will enhance the quality of life for
12 residents and increase property tax revenues; and

13 WHEREAS, private sector investment is a prerequisite for
14 long-term improvement in an area; and

15 WHEREAS, the Fort Wayne Common Council wishes to explore
16 various methods of encouraging private sector investment in
17 central city neighborhoods; and

18 WHEREAS, one such method is to provide for residential
19 property tax abatement in neighborhood experiencing decay and
20 disinvestment; and

21 WHEREAS, I.C. 6-1.1-12.1 allows cities to designate
22 vacant, deteriorated property owned by local government as a
23 "residentially distressed area" and is therefore eligible for
24 property tax abatement; and

25 WHEREAS, allowing cities broader authority to designate
26 severely blighted areas as "residentially distressed"
27 regardless of vacancy and ownership would provide another tool
28 for cities to encourage private investment; and

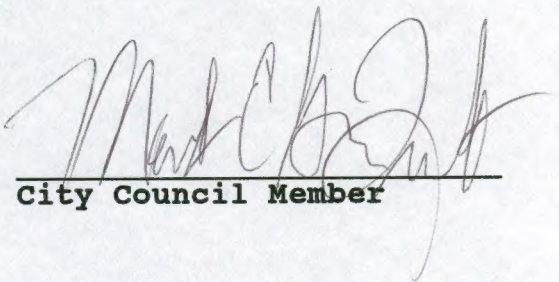
29 WHEREAS, such authority requires action of the Indiana
30 General Assembly.

31 NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF
32 THE CITY OF FORT WAYNE, INDIANA:

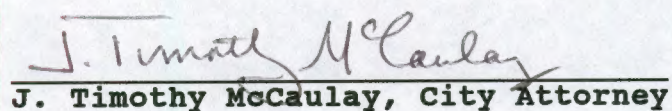
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2 **Section 1.** That the Fort Wayne Common Council supports
3 H.R. #1132, legislation providing for greater local authority
4 to provide residential property tax abatement; and

5 **Section 2.** That the Common Council of the City of Fort
6 Wayne encourages the Indiana General Assembly to pass enabling
7 legislation providing such authority.

8 **Section 3.** That this resolution shall be in full force
9 and effect from and after its adoption by the Common Council
10 and approval by the Mayor.

11
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13 
14 City Council Member

15
16 **APPROVED AS TO FORM AND LEGALITY**

17 
18 J. Timothy McCaulay, City Attorney
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FOUR STAR BOND

SOUTHWORTH CO. ILL. A

HOUSE BILL No. 1132

Introduced by: **GiaQuinta**

_____, read first time and referred to Committee on

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-1.1-12.1.

Synopsis: Tax abatements for housing development. Establishes alternative criteria for declaring an area to be a residentially distressed area for purposes of tax abatements. Provides that a tax abatement for real property in a residentially distressed area applies only to the assessed value of improvements to property. (Current law provides that the deduction applies to the assessed value of both improvements and land.) Makes necessary changes to cross references to the amended code sections.

Effective: July 1, 1993.



First Regular Session 108th General Assembly (1993)

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 6-1.1-12.1-2, AS AMENDED BY
- 2 P.L.42-1992, SECTION 2, IS AMENDED TO READ AS
- 3 FOLLOWS: Sec. 2. (a) A designating body may find that a
- 4 particular area within its jurisdiction is an economic
- 5 revitalization area. However, the deduction provided by this
- 6 chapter for economic revitalization areas not within a city or
- 7 town shall not be available to retail businesses.
- 8 (b) In a county containing a consolidated city or within a city
- 9 or town, a designating body may find that a particular area
- 10 within its jurisdiction is a residentially distressed area.
- 11 Designation of an area as a residentially distressed area has the
- 12 same effect as designating an area as an economic revitalization
- 13 area, except that the amount of the deduction shall be calculated
- 14 as specified in section 4.1 of this chapter and the deduction is
- 15 allowed for five (5) years. In order to declare a particular area
- 16 a residentially distressed area, the designating body must follow
- 17 the same procedure that is required to designate an area as an
- 18 economic revitalization area and must make all the following
- 19 additional findings or all the additional findings described in
- 20 subsection (c):
- 21 (1) The area is comprised of parcels that are either
- 22 unimproved or contain only one (1) or two (2) family
- 23 dwellings or multifamily dwellings designed for up to four
- 24 (4) families, including accessory buildings for those
- 25 dwellings.
- 26 (2) Any dwellings in the area are not permanently
- 27 occupied and are:
- 28 (A) the subject of an order issued under IC 36-7-9; or
- 29 (B) evidencing significant building deficiencies.
- 30 (3) Parcels of property in the area:
- 31 (A) have been sold and not redeemed under
- 32 IC 6-1.1-24 and IC 6-1.1-25; or



(B) are owned by a unit of local government.

(c) A designating body that wishes to designate a particular area a residentially distressed area may make the following additional findings as an alternative to the additional findings described in subsection (b):

(1) A significant number of dwelling units within the area are not permanently occupied or a significant number of parcels in the area are vacant land.

(2) A significant number of dwelling units within the area are:

(A) the subject of an order issued under IC 36-7-9;
or

(B) evidencing significant building deficiencies.

(3) The area has experienced a net loss in the number of dwelling units, as documented by census information, local building and demolition permits, or certificates of occupancy.

(4) The area (plus any areas previously designated under this subsection) will not exceed ten percent (10%) of the total area within the designating body's jurisdiction.

(e) (d) A designating body is required to attach the following conditions to the grant of a residentially distressed area designation:

(1) The deduction will not be allowed unless the dwelling is rehabilitated to meet local code standards for habitability.

(2) If a designation application is filed, the designating body may require that the redevelopment or rehabilitation be completed within a reasonable period of time.

(d) (e) To make a designation described in subsection (a) or (b), the designating body shall use procedures prescribed in section 2.5 of this chapter.

(e) (f) The property tax deductions provided by sections 3 and 4.5 of this chapter are only available for property and new manufacturing equipment, respectively, within an area which the designating body finds to be an economic revitalization area.

(f) (g) The designating body may adopt a resolution establishing general standards to be used, along with the requirements set forth in the definition of economic revitalization area, by the designating body in finding an area to be an economic revitalization area. The standards must have a reasonable relationship to the development objectives of the area in which the designating body has jurisdiction. The following three (3) sets of standards may be established:

(1) One (1) relative to the deduction under section 3 of this



chapter for economic revitalization areas that are not
residentially distressed areas.

(2) One (1) relative to the deduction under section 3 of this
chapter for residentially distressed areas.

(3) One (1) relative to the deduction allowed under section
4.5 of this chapter.

~~(g)~~ (h) A designating body may impose a fee for filing a
designation application for a person requesting the designation
of a particular area as an economic revitalization area. The fee
may be sufficient to defray actual processing and administrative
costs. However, the fee charged for filing a designation
application for a parcel that contains one (1) or more
owner-occupied, single-family dwellings may not exceed the cost
of publishing the required notice.

~~(h)~~ (i) In declaring an area an economic revitalization area,
the designating body may:

(1) limit the time period to a certain number of calendar
years during which the area shall be so designated;

(2) limit the type of deductions that will be allowed within
the economic revitalization area to either the deduction
allowed under section 3 of this chapter or the deduction
allowed under section 4.5 of this chapter;

(3) limit the dollar amount of the deduction that will be
allowed with respect to new manufacturing equipment if
a deduction under this chapter had not been filed before
July 1, 1987, for that equipment;

(4) limit the dollar amount of the deduction that will be
allowed with respect to redevelopment and rehabilitation
occurring in areas that are designated as economic
revitalization areas on or after September 1, 1988; or

(5) impose reasonable conditions related to the purpose of
this chapter or to the general standards adopted under
~~section 2(c) of this chapter~~ subsection (g) for allowing the
deduction for the redevelopment or rehabilitation of the
property or the installation of the new manufacturing
equipment.

To exercise one (1) or more of these powers a designating body
must include this fact in the resolution passed under section 2.5
of this chapter.

~~(i)~~ (j) Notwithstanding any other provision of this chapter,
if a designating body limits the time period during which an area
is an economic revitalization area, that limitation does not:

(1) prevent a taxpayer from obtaining a deduction for new
manufacturing equipment installed before December 31,
1997, but after the expiration of the economic



1 revitalization area if:

2 (A) the economic revitalization area designation
3 expires after December 30, 1995; and

4 (B) the new manufacturing equipment was described
5 in a statement of benefits submitted to and approved
6 by the designating body in accordance with section 4.5
7 of this chapter before the expiration of the economic
8 revitalization area designation; or

9 (2) limit the length of time a taxpayer is entitled to receive
10 a deduction to a number of years that is less than the
11 number of years designated under section 4 or 4.5 of this
12 chapter.

13 ~~(j)~~ (k) Notwithstanding any other provision of this chapter,
14 deductions:

15 (1) that are authorized under section 3 of this chapter for
16 property in an area designated as an urban development
17 area before March 1, 1983, and that are based on an
18 increase in assessed valuation resulting from
19 redevelopment or rehabilitation that occurs before March
20 1, 1983; or

21 (2) that are authorized under section 4.5 of this chapter for
22 new manufacturing equipment installed in an area
23 designated as an urban development area before March 1,
24 1983;

25 apply according to the provisions of this chapter as they existed
26 at the time that an application for the deduction was first made.
27 No deduction that is based on the location of property or new
28 manufacturing equipment in an urban development area is
29 authorized under this chapter after February 28, 1983, unless
30 the initial increase in assessed value resulting from the
31 redevelopment or rehabilitation of the property or the
32 installation of the new manufacturing equipment occurred before
33 March 1, 1983.

34 ~~(k)~~ (l) If property located in an economic revitalization area
35 is also located in an allocation area (as defined in IC 36-7-14-39
36 or IC 36-7-15.1-26), an application for the property tax
37 deduction provided by this chapter may not be approved unless
38 the commission that designated the allocation area adopts a
39 resolution approving the application.

40 SECTION 2. IC 6-1.1-12.1-4, AS AMENDED BY
41 P.L.332-1989(ss), SECTION 11, IS AMENDED TO READ AS
42 FOLLOWS: Sec. 4. (a) Except as provided in section ~~2(h)(4)~~
43 section 2(i)(4) of this chapter, the amount of the deduction
44 which the property owner is entitled to receive under section 3
45 of this chapter for a particular year equals the product of:



(1) the increase in the assessed value resulting from the rehabilitation or redevelopment; multiplied by

(2) the percentage prescribed in the table set forth in subsection (d).

(b) The amount of the deduction determined under subsection (a) shall be adjusted in accordance with this subsection in the following circumstances:

(1) If a general reassessment of real property occurs within the particular period of the deduction, the amount determined under subsection (a)(1) shall be adjusted to reflect the percentage increase or decrease in assessed valuation that resulted from the general reassessment.

(2) If an appeal of an assessment is approved that results in a reduction of the assessed value of the redeveloped or rehabilitated property, the amount of any deduction shall be adjusted to reflect the percentage decrease that resulted from the appeal.

The state board of tax commissioners shall adopt rules under IC 4-22-2 to implement this subsection.

(c) Property owners who had an area designated an urban development area pursuant to an application filed prior to January 1, 1979, are only entitled to the deduction for the first through the fifth years as provided in subsection (d)(3). In addition, property owners who are entitled to a deduction under this chapter pursuant to an application filed after December 31, 1978, and before January 1, 1986, are entitled to a deduction for the first through the tenth years, as provided in subsection (d)(3).

(d) The percentage to be used in calculating the deduction under subsection (a) is as follows:

(1) For deductions allowed over a three (3) year period:

YEAR OF DEDUCTION	PERCENTAGE
1st	100%
2nd	66%
3rd	33%

(2) For deductions allowed over a six (6) year period:

YEAR OF DEDUCTION	PERCENTAGE
1st	100%
2nd	85%
3rd	66%
4th	50%
5th	34%
6th	17%

(3) For deductions allowed over a ten (10) year period:

YEAR OF DEDUCTION	PERCENTAGE
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1	1st	100%
2	2nd	95%
3	3rd	80%
4	4th	65%
5	5th	50%
6	6th	40%
7	7th	30%
8	8th	20%
9	9th	10%
10	10th	5%

SECTION 3. IC 6-1.1-12.1-4.1, AS AMENDED BY P.L.3-1989, SECTION 36, IS AMENDED TO READ AS FOLLOWS: Sec. 4.1. (a) Section 4 of this chapter applies to economic revitalization areas that are not residentially distressed areas.

(b) This subsection applies to economic revitalization areas that are residentially distressed areas. The amount of the deduction that a property owner is entitled to receive under section 3 of this chapter for a particular year equals the lesser of:

(1) the assessed value of the improvement to the property after the rehabilitation or redevelopment has occurred; or

(2) the following amount:

TYPE OF DWELLING	AMOUNT
One (1) family dwelling	\$ 8,000 \$12,000
Two (2) family dwelling	\$15,000 \$17,000
Three (3) unit multifamily dwelling	\$22,000 \$25,000
Four (4) unit multifamily dwelling	\$28,000 \$32,000

SECTION 4. IC 6-1.1-12.1-4.5, AS AMENDED BY P.L.42-1992, SECTION 3, IS AMENDED TO READ AS FOLLOWS: Sec. 4.5. (a) For purposes of this section, "personal property" means personal property other than inventory (as defined in IC 6-1.1-3-11(a)).

(b) An applicant must provide a statement of benefits to the designating body. The applicant must provide the completed statement of benefits form to the designating body before the hearing specified in section 2.5(c) of this chapter or before the installation of the new manufacturing equipment for which the person desires to claim a deduction under this chapter. The state board of tax commissioners shall prescribe a form for the statement of benefits. The statement of benefits must include the following information:



(1) A description of the new manufacturing equipment that the person proposes to acquire.

(2) An estimate of the number of individuals who will be employed or whose employment will be retained by the person as a result of the installation of the new manufacturing equipment and an estimate of the annual salaries of these individuals.

(3) An estimate of the cost of the new manufacturing equipment.

With the approval of the state board of tax commissioners, the statement of benefits may be incorporated in a designation application.

(c) The designating body must review the statement of benefits required under subsection (b). The designating body shall determine whether an area should be designated an economic revitalization area or whether the deduction shall be allowed, based on (and after it has made) the following findings:

(1) Whether the estimate of the cost of the new manufacturing equipment is reasonable for equipment of that type.

(2) Whether the estimate of the number of individuals who will be employed or whose employment will be retained can be reasonably expected to result from the installation of the new manufacturing equipment.

(3) Whether the estimate of the annual salaries of those individuals who will be employed or whose employment will be retained can be reasonably expected to result from the proposed installation of new manufacturing equipment.

(4) Whether any other benefits about which information was requested are benefits that can be reasonably expected to result from the proposed installation of new manufacturing equipment.

(5) Whether the totality of benefits is sufficient to justify the deduction.

The designating body may not designate an area an economic revitalization area or approve the deduction unless it makes the findings required by this subsection in the affirmative.

(d) Except as provided in subsection (f), an owner of new manufacturing equipment whose statement of benefits is approved before May 1, 1991, is entitled to a deduction from the assessed value of that equipment for a period of five (5) years. Except as provided in subsection (f), an owner of new manufacturing equipment whose statement of benefits is approved after April 30, 1991, is entitled to a deduction from the assessed value of that equipment for a period of five (5) years or



ten (10) years, as determined by the designating body under subsection (h). Except as provided in subsections (f) and (g) and in ~~section 2(h)(3)~~ **section 2(i)(3)** of this chapter, the amount of the deduction that an owner is entitled to for a particular year equals the product of:

(1) the assessed value of the new manufacturing equipment in the year that the equipment is installed; multiplied by

(2) the percentage prescribed in the table set forth in subsection (e).

(e) The percentage to be used in calculating the deduction under subsection (d) is as follows:

(1) For deductions allowed over a five (5) year period:

YEAR OF DEDUCTION	PERCENTAGE
1st	100%
2nd	95%
3rd	80%
4th	65%
5th	50%
6th and thereafter	0%

(2) For deductions allowed over a ten (10) year period:

YEAR OF DEDUCTION	PERCENTAGE
1st	100%
2nd	95%
3rd	90%
4th	85%
5th	80%
6th	70%
7th	55%
8th	40%
9th	30%
10th	25%
11th and thereafter	0%

(f) Notwithstanding subsections (d) and (e), a deduction under this section is not allowed in the first year the deduction is claimed for new manufacturing equipment to the extent that it would cause the assessed value of all of the personal property of the owner in the taxing district in which the equipment is located (excluding personal property that is assessed as construction in process) to be less than the assessed value of all of the personal property of the owner in that taxing district (excluding personal property that is assessed as construction in process) in the immediately preceding year.

(g) If a deduction is not fully allowed under subsection (f) in the first year the deduction is claimed, then the percentages



1 specified in subsection (d) or (e) apply in the subsequent years to
 2 the amount of deduction that was allowed in the first year.

3 (h) The designating body shall determine whether a property
 4 owner whose statement of benefits is approved after April 30,
 5 1991, is entitled to a deduction for five (5) or ten (10) years.
 6 This determination shall be made:

7 (1) as part of the resolution adopted under section 2.5 of
 8 this chapter; or

9 (2) by resolution adopted within sixty (60) days after
 10 receiving a copy of a property owner's certified deduction
 11 application from the state board of tax commissioners. A
 12 certified copy of the resolution shall be sent to the county
 13 auditor and the state board of tax commissioners.

14 A determination about whether the deduction is for a period of
 15 five (5) or ten (10) years that is made under subdivision (1) is
 16 final and may not be changed by following the procedure under
 17 subdivision (2).

18 SECTION 5. IC 6-1.1-12.1-5, AS AMENDED BY
 19 P.L.42-1992, SECTION 4, IS AMENDED TO READ AS
 20 FOLLOWS: Sec. 5. (a) A property owner who desires to obtain
 21 the deduction provided by section 3 of this chapter must file a
 22 certified deduction application, on forms prescribed by the state
 23 board of tax commissioners, with the auditor of the county in
 24 which the property is located. Except as otherwise provided in
 25 subsection (b) or (e), the deduction application must be filed
 26 before May 10 of the year in which the addition to assessed
 27 valuation is made.

28 (b) If notice of the addition to assessed valuation or new
 29 assessment for any year is not given to the property owner
 30 before April 10 of that year, the deduction application required
 31 by this section may be filed not later than thirty (30) days after
 32 the date such a notice is mailed to the property owner at the
 33 address shown on the records of the township assessor.

34 (c) The deduction application required by this section must
 35 contain the following information:

36 (1) The name of the property owner.

37 (2) A description of the property for which a deduction is
 38 claimed in sufficient detail to afford identification.

39 (3) The assessed value of the improvements before
 40 rehabilitation.

41 (4) The increase in the assessed value of improvements
 42 resulting from the rehabilitation.

43 (5) The assessed value of the new structure in the case of
 44 redevelopment.

45 (6) The amount of the deduction claimed for the first year



1 of the deduction.

2 (7) If the deduction application is for a deduction in a
3 residentially distressed area, the assessed value of the
4 improvement or new structure for which the deduction is
5 claimed.

6 (d) A deduction application filed under subsection (a) or (b)
7 is applicable for the year in which the addition to assessed value
8 or assessment of a new structure is made and in the immediate
9 following two (2), four (4), five (5), or nine (9) years, whichever
10 is applicable, without any additional deduction application being
11 filed. However, property owners who had an area designated an
12 urban development area pursuant to a deduction application filed
13 prior to January 1, 1979, are only entitled to a deduction for a
14 five (5) year period. In addition, property owners who are
15 entitled to a deduction under this chapter pursuant to a
16 deduction application filed after December 31, 1978, and before
17 January 1, 1986, are entitled to a deduction for a ten (10) year
18 period.

19 (e) A property owner who desires to obtain the deduction
20 provided by section 3 of this chapter but who has failed to file a
21 deduction application within the dates prescribed in subsection
22 (a) or (b) may file a deduction application between March 1 and
23 May 10 of a subsequent year which shall be applicable for the
24 year filed and the subsequent years without any additional
25 deduction application being filed for the amounts of the deduction
26 which would be applicable to such years pursuant to section 4 of
27 this chapter if such a deduction application had been filed in
28 accordance with subsection (a) or (b).

29 (f) On verification of the correctness of a deduction
30 application by the assessor of the township in which the
31 property is located, the county auditor shall act as follows:

32 (1) If a determination about whether the deduction is three
33 (3), six (6), or ten (10) years has been made in the
34 resolution adopted under section 2.5 of this chapter, the
35 county auditor shall make the appropriate deduction.

36 (2) If a determination about whether the deduction is three
37 (3), six (6), or ten (10) years has not been made in the
38 resolution adopted under section 2.5 of this chapter, the
39 county auditor shall send a copy of the deduction
40 application to the designating body. Upon receipt of the
41 resolution stating whether the deduction will be allowed for
42 three (3), six (6), or ten (10) years, the county auditor
43 shall make the appropriate deduction.

44 (3) If the deduction application is for rehabilitation or
45 redevelopment in a residentially distressed area, the



1 county auditor shall make the appropriate deduction.

2 (g) The amount and period of the deduction provided for
3 property by section 3 of this chapter are not affected by a
4 change in the ownership of the property if the new owner of the
5 property:

6 (1) continues to use the property in compliance with any
7 standards established under ~~section 2(e)~~ section 2(g) of
8 this chapter; and

9 (2) files an application in the manner provided by
10 subsection (e).

11 (h) The township assessor shall include a notice of the
12 deadlines for filing a deduction application under subsections (a)
13 and (b) with each notice to a property owner of an addition to
14 assessed value or of a new assessment.

15 SECTION 6. IC 6-1.1-12.1-5.5, AS AMENDED BY
16 P.L.43-1992, SECTION 1, IS AMENDED TO READ AS
17 FOLLOWS: Sec. 5.5. (a) A person that desires to obtain the
18 deduction provided by section 4.5 of this chapter must file a
19 certified deduction application on forms prescribed by the state
20 board of tax commissioners with:

21 (1) the auditor of the county in which the new
22 manufacturing equipment is located; and

23 (2) the state board of tax commissioners.

24 A person that timely files a personal property return under
25 IC 6-1.1-3-7(a) for the year in which the new manufacturing
26 equipment is installed must file the application between March 1
27 and May 15 of that year. A person that obtains a filing
28 extension under IC 6-1.1-3-7(b) for the year in which the new
29 manufacturing equipment is installed must file the application
30 between March 1 and June 14 of that year.

31 (b) The deduction application required by this section must
32 contain the following information:

33 (1) The name of the owner of the new manufacturing
34 equipment.

35 (2) A description of the new manufacturing equipment.

36 (3) Proof of the date the new manufacturing equipment
37 was installed.

38 (4) The amount of the deduction claimed for the first year
39 of the deduction.

40 (c) This subsection applies to a deduction application with
41 respect to new manufacturing equipment for which a statement
42 of benefits was initially approved after April 30, 1991. If a
43 determination about whether the deduction is for a period of five

44 (5) or ten (10) years has not been made in the resolution adopted
45 under section 2.5 of this chapter, the county auditor shall send



1 a copy of the deduction application to the designating body and
2 the designating body shall adopt a resolution under section
3 4.5(h)(2) of this chapter.

4 (d) A deduction application must be filed under this section
5 in the year in which the new manufacturing equipment is
6 installed and in each of the immediately succeeding four (4) or
7 nine (9) years, whichever is applicable.

8 (e) The state board of tax commissioners shall review and
9 verify the correctness of each deduction application and shall
10 notify the county auditor of the county in which the property is
11 located that the deduction application is approved or denied or
12 that the amount of the deduction is altered. Upon notification of
13 approval of the deduction application or of alteration of the
14 amount of the deduction, the county auditor shall make the
15 deduction.

16 (f) If the ownership of new manufacturing equipment
17 changes, the deduction provided under section 4.5 of this chapter
18 continues to apply to that equipment if the new owner:

19 (1) continues to use the equipment in compliance with any
20 standards established under ~~section 2(e)~~ section 2(g) of
21 this chapter; and

22 (2) files the deduction applications required by this section.

23 (g) The amount of the deduction is the percentage under
24 section 4.5 of this chapter that would have applied if the
25 ownership of the property had not changed multiplied by the
26 assessed value of the equipment for the year the deduction is
27 claimed by the new owner.

28 (h) If a person desires to initiate an appeal of the state
29 board of tax commissioners' final determination, the person
30 must do all of the following not more than forty-five (45) days
31 after the state board of tax commissioners gives the person
32 notice of the final determination:

33 (1) File a written notice with the state board of tax
34 commissioners informing the board of the person's
35 intention to appeal.


36 (2) File a complaint in the tax court.

37 (3) Serve the attorney general and the county auditor with
38 a copy of the complaint.



MEMORANDUM

TO: Members of the City Council

FROM: Greg Purcell  Chief of Staff

DATE: February 23, 1993

SUBJECT: Support for Legislation to Provide Residential Property Tax Abatement

Background

9-93-02-20

Indiana statute gives cities the authority to abate property taxes on vacant, blighted residential property owned by a unit of local government. Fort Wayne uses this tool as an incentive for the improvement of houses (or vacant lots) owned by the City, and more generally, the county. An example is the new construction of houses at Lafayette and Williams being constructed through Project Renew. However, the requirement of public ownership dramatically limits the use of this incentive.

To allow local government more flexibility in encouraging the revitalization of deteriorating areas, bill #HR-1132 has been introduced to the Indiana General Assembly to give City Councils the option to create districts within which any residential property could receive tax abatement. The districts would have to meet a certain criteria for blight and be designated by City Ordinance.

Support for Legislation

The resolution states the Fort Wayne Common Council formally supports this legislation to provide greater local authority to grant residential property tax abatement. It will give the sponsors of such legislation some evidence that cities want and would use such authority. The bill is being sponsored by Representative Ben GiaQuinta.

Recommendation

Council members are aware of the many efforts that the City of Fort Wayne is undertaking and supporting to increase the supply of affordable housing in our community and to improve central city neighborhoods. Staff recommends passage of the resolution in order to demonstrate local support of another tool we can use in those efforts.

GP/KG/GB

Attachments

Read the first time in full and on motion by _____,
seconded by _____, and duly adopted, read the second time by _____,
title and referred to the Committee on _____ (and the
City Plan Commission for recommendation) and Public Hearing to be held after
due legal notice, at the Common Council Conference Room 128, City-County
Building, Fort Wayne, Indiana, on _____, the _____, day
of _____, 19_____, at _____ o'clock _____ M., E.S.T.

DATED: _____

SANDRA E. KENNEDY, CITY CLERK

Read the third time in full and on motion by Henry,
seconded by _____, and duly adopted, placed on its passage.
PASSED ~~Lost~~ by the following vote:

	AYES	NAYS	ABSTAINED	ABSENT
TOTAL VOTES	<u>9</u>			
BRADBURY	<u>✓</u>			
EDMONDS	<u>✓</u>			
GiaQUINTA	<u>✓</u>			
HENRY	<u>✓</u>			
LONG	<u>✓</u>			
LUNSEY	<u>✓</u>			
RAVINE	<u>✓</u>			
SCHMIDT	<u>✓</u>			
TALARICO	<u>✓</u>			

DATED: 2-23-93

Sandra E. Kennedy
SANDRA E. KENNEDY, CITY CLERK

Passed and adopted by the Common Council of the City of Fort Wayne,
Indiana, as ~~(ANNEXATION)~~ ~~(APPROPRIATION)~~ ~~(GENERAL)~~
~~(SPECIAL)~~ ~~(ZONING)~~ ORDINANCE RESOLUTION NO. Q-09-93
on the 23rd day of February, 1993

ATTEST:

(SEAL)

Sandra E. Kennedy
SANDRA E. KENNEDY, CITY CLERK

Mark C. GiaQuinta
PRESIDING OFFICER

Presented by me to the Mayor of the City of Fort Wayne, Indiana, on
the 24th day of February, 1993,
at the hour of 11:30 o'clock A., M., E.S.T.

Sandra E. Kennedy
SANDRA E. KENNEDY, CITY CLERK

Approved and signed by me this 1st day of March,
1993, at the hour of 10 o'clock A., E.S.T.

Paul Helmke
PAUL HELMKE, MAYOR